

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re

JOANN INC., *et al.*¹

Post-Effective Date Debtors.

Chapter 11

Case Nos. 25-10068 (CTG)
(Jointly Administered)

**CERTIFICATION OF COUNSEL
REGARDING PROPOSED ORDER APPROVING
STIPULATION BETWEEN GUC TRUST AND AVANTI, INC.
REGARDING APPLICATION OF SECURITY DEPOSIT**

Adam Hiller, counsel for Avanti, Inc. (“Landlord”), hereby certifies as follows:

1. Landlord, on behalf of itself and as authorized representative of and on behalf of each Tenant-in-Common, was the landlord under a lease of non-residential real property, originally dated May 19, 2021 (as amended from time to time, the “Lease”) by which Landlord (as authorized representative of, and on behalf of, each Tenant in Common), leased to debtor Jo-Ann Stores, LLC, as lessee, certain real property located at 7530 W. Sunnyview Ave., Visalia CA 93291 (Store No. 7125) (the “Leased Premises” or the “Property”).

2. Pursuant to the Third Order Authorizing the Debtors To Reject Certain Executory Contracts And/Or Unexpired Leases (Docket No. 713), the Lease was rejected, effective March 31, 2025.

3. As a result of the rejection of the Lease, Landlord filed a lease rejection damage claim in the amount of \$1,194,986.99 (Claim No. 17238) reflecting the application of the cap set forth in § 502(b)(6) of the Bankruptcy Code.

¹ The Post-Effective Date Debtors in these chapter 11 cases are: JOANN Inc.; Needle Holdings LLC; Jo-Ann Stores, LLC; Creative Tech Solutions LLC; Creativebug, LLC; WeaveUp, Inc.; JAS Aviation, LLC; joann.com, LLC; JOANN Ditto Holdings Inc.; Dittopatterns LLC; JOANN Holdings 1, LLC; JOANN Holdings 2, LLC; and Jo-Ann Stores Support Center, Inc.

4. At the time of the rejection, and presently, Landlord has been holding a security deposit in the amount of \$46,142.80 (the “Security Deposit”).

5. In lieu of litigation, counsel for Landlord and counsel for the JOANN Liquidating Trust (the “GUC Trust”), acting by and through Steven Balasiano, solely in his capacity as the liquidating trustee (the “GUC Trustee”), have entered into negotiations regarding the disposition of the Security Deposit, resulting in the execution of the Stipulation Between GUC Trust And Avanti, Inc. Regarding Application Of Security Deposit attached hereto as **Exhibit A-1** (the “Stipulation”). A proposed order approving the Stipulation is attached hereto as **Exhibit A**.

6. Landlord and the GUC Trustee request that the Court enter the Proposed Order as an order of the Court at the Court’s convenience.

Dated: December 4, 2025
Wilmington, Delaware

Respectfully submitted,
HILLER LAW, LLC

/s/ Adam Hiller

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